

# THE INSTITUTE FOR TOMORROW'S WORKFORCE

An Iowa Nonprofit Educational Foundation

January 11, 2005

Michael E. Marshall  
Secretary of the Senate  
State Capitol Building  
Des Moines IA 50319

Margaret A. Thomson  
Chief Clerk of the House  
State Capitol Building  
Des Moines IA 50319

Dennis C. Prouty, Director  
Legislative Services Agency  
State Capitol Building  
Des Moines IA 50319

ROBERT KOOB, PH.D.  
The University of Northern Iowa

MARVIN A. POMERANTZ  
The Mid-America Group

CO-CHAIRPERSONS

RECEIVED  
JAN 11 2006  
HOUSE OF REPRESENTATIVES

Re: Institute for Tomorrow's Workforce Annual Report  
(Code of Iowa Chapter 7K.1.6)

Dear Members of the Iowa General Assembly:

Pursuant to House File 816, enclosed is the first report of the *Institute for Tomorrow's Workforce* accompanied by an audit of the first six months conducted by Deloitte and Touche.

If there are any questions concerning these reports, please do not hesitate to contact us.

Sincerely,

Marvin A. Pomerantz  
Dr. Robert Koob

Enclosures

cc:  
Kathy Hanlon  
Mary Shipman  
Legislative Education Caucus Staff

"... focusing on what learners need to know to be successful. . ."

<http://www.tomorrowsworkforce.org/>

# ***INSTITUTE FOR TOMORROW'S WORKFORCE***

***Statement of Cash Receipts and Cash  
Disbursements for the Period from July 26, 2005  
(Date of Inception) Through December 31, 2005  
and Independent Auditors' Report***

## INDEPENDENT AUDITORS' REPORT

To the Board of Directors of  
Institute for Tomorrow's Workforce:

We have audited the accompanying statement of cash receipts and cash disbursements of Institute for Tomorrow's Workforce (the "Institute") for the period from July 26, 2005 (date of inception) through December 31, 2005. This financial statement is the responsibility of the Institute's management. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Institute's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1, this financial statement was prepared on the basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, such financial statement presents fairly, in all material respects, the cash receipts and cash disbursements of the Institute for the period from July 26, 2005 (date of inception) through December 31, 2005, on the basis of accounting described in Note 1.

*Deloitte & Touche LLP*

January 3, 2006

# INSTITUTE OF TOMORROW'S WORKFORCE

## STATEMENT OF CASH RECEIPTS AND CASH DISBURSEMENTS

FOR THE PERIOD FROM JULY 26, 2005 (INCEPTION) THROUGH DECEMBER 31, 2005

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	2005
CASH RECEIPTS:	
State of Iowa	\$ 150,000
Private fund-raising	<u>171,000</u>
Total cash receipts	<u>321,000</u>
CASH DISBURSEMENTS:	
Executive director services and reimbursed expenses	76,179
Consulting services and reimbursed expenses	108,149
Miscellaneous expenses	<u>5,526</u>
Total cash disbursements	<u>189,854</u>
CASH RECEIPTS IN EXCESS OF CASH DISBURSEMENTS	<u>\$ 131,146</u>

See notes to statement of cash receipts and cash disbursements.

# INSTITUTE FOR TOMORROW'S WORKFORCE

## NOTES TO STATEMENT OF CASH RECEIPTS AND CASH DISBURSEMENTS FOR THE PERIOD FROM JULY 26, 2005 (INCEPTION) THROUGH DECEMBER 31, 2005

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### 1. SUMMARY OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

*Nature of Operations* – The Institute for Tomorrow's Workforce (the "Institute") exists as a not-for-profit entity to provide a long-term forum for bold, innovative recommendations to improve Iowa's education system to meet the workforce needs of Iowa's economy. Funding for this long-term forum was provided, subject to matching private contributions, by an initial \$150,000 contribution by the State of Iowa to the Institute.

*Basis of Presentation* – The financial statements have been prepared on the basis of cash receipts and disbursements. These practices differ in certain respects, which in some cases may be material, from those accounting principles generally accepted in the United States of America applied in the presentation of financial condition and results of operations on the "going concern" basis commonly followed by other types of enterprises. Revenues are recognized in the period received and expenses are recognized in the period paid. As of December 31, 2005, no contributions have been pledged but not received.

*Donated Services* – The Institute receives substantially all of its administrative services and some professional services from various entities at no charge. No amounts for such donated services have been recognized in the statement of cash receipts and cash disbursements.

*Tax Status* – The Institute is a not-for-profit entity exempt from federal income taxes under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3) of the Internal Revenue Code. Management is not aware of any unrelated business income or any actions or events that have occurred that would adversely affect the Institute's tax-exempt status.

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